

TORONTO STOCK EXCHANGE

MAR 31 1955

LISTING STATEMENT**BEAVER LUMBER COMPANY, LIMITED**

A company incorporated under the laws of Canada by Letters Patent dated November 23rd, 1906.

783,690 COMMON SHARES WITHOUT NOMINAL OR PAR VALUE

CAPITALIZATION

	Par Value	Authorized	Issued and Outstanding	To be Listed
Preferred	\$20	100,000	64,550	....
Class "A"	None	100,000	78,369	....
Common	None	1,000,000	783,690	783,690
Funded Debt:	Nil.			

Winnipeg, February 4th, 1955

1. APPLICATION

BEAVER LUMBER COMPANY, LIMITED, (hereinafter referred to as "The Company") hereby makes application for listing on the Toronto Stock Exchange of 783,690 Common Shares without nominal or par value.

2. HISTORY AND NATURE OF BUSINESS

The Company was organized by Letters Patent November 23rd, 1906, to conduct a line yard retail lumber and building supply business. At the beginning, the business was conducted in the Provinces of Manitoba and Saskatchewan from approximately 60 branches. In the intervening years, expansion has been made into Alberta and Ontario and, through subsidiary companies and increased number of parent company branches, there are now approximately 260 retail outlets.

Up until April 30th, 1952, the published auditor's statement to shareholders covered only the operations of the parent company, with the investment in subsidiary companies shown as an asset, and the profit and loss account reflecting dividends only received from these subsidiaries. Beginning April 30th, 1953, the published statement has shown the combined assets and liabilities, and the combined profit and loss accounts, of the parent and all subsidiary companies.

3. INCORPORATION AND CAPITAL CHANGES

(A) Under the Letters Patent incorporating the Company, the capital stock was \$3,000,000 divided into 15,000 Preference Shares of the par value of \$100 each and 15,000 Ordinary Shares of \$100 each.

(B) By Supplementary Letters Patent dated 21st June, 1929, the authorized capital of the Company was varied as follows:

- (1) By subdividing the 15,000 Ordinary Shares previously authorized into 150,000 shares without nominal or par value.
- (2) By increasing the capital stock of the Company, authorizing the issuing of an additional 15,000 Ordinary Shares without nominal or par value.

(C) By Supplementary Letters Patent dated 5th November, 1942, the Company was given the right at any time and from time to time to purchase from the holder or holders of the Preferred Shares, for the purpose of redemption or cancellation, the whole or any part of the Preferred Shares.

(D) By Supplementary Letters Patent dated 2nd December, 1946, the authorized capital of the Company was varied as follows:

1. By Subdividing the outstanding 15,000 Preferred Shares of the par value of \$100. each into 75,000 Preferred Shares \$1.40 Series, of the par value of \$20 each.
2. By changing the 165,000 Common Shares without nominal or par value into:
 - (a) 82,500 Non-callable Class "A" Shares, without nominal or par value, carrying a fixed cumulative dividend of \$1.00 per year.

This listing statement is a copy of the listing application made by the applicant company. The Exchange has received no consideration in connection with the issue of this listing statement other than the customary listing fee. The papers and exhibits submitted by the applicant company in support of the listing application are open for inspection at the general office of the Exchange.

- (b) 165,000 new Common Shares without nominal or par value.
- 3. By increasing the authorized capital of the Company by:
 - (a) 25,000 further Preferred Shares, \$1.40 Series, of the par value of \$20.
 - (b) 17,500 Non-callable Class "A" Shares, without nominal or par value.
 - (c) 35,000 further Common Shares, without nominal or par value.

(E) By Supplementary Letters Patent dated 13th December, 1954, the authorized capital of the Company was varied as follows:

By subdividing the presently authorized 200,000 Common Shares, without nominal or par value, into 1,000,000 Common Shares without nominal or par value.

(F) Under provisions authorized as outlined in paragraph (C) above, 10,450 of the Preferred Shares \$1.40 Series, of the par value of \$20, were purchased and cancelled December 1954.

4. OPINION OF COUNSEL

Roy B. MacInnes, Q.C., the solicitor for the Company, has furnished an opinion that the Company is properly and legally incorporated under the laws of Canada, and that the securities of the Company were properly issued and outstanding and are fully paid and non-assessable.

5. SHARE ISSUE DURING THE LAST TEN YEARS

None.

6. STOCK PROVISIONS

1. (a) Holders of Preferred Shares \$1.40 Series are entitled to fixed cumulative preferential cash dividends at rate of \$1.40 per share payable in quarterly instalments.
- (b) In event of default in payment in any year, arrears are payable with interest at 6% per annum until arrears are fully paid.
- (c) No voting rights unless and until default has been made in payment of eight consecutive quarterly instalments. Voting power in event Preferred Shareholders have a vote is 1 Preferred vote equivalent to 10 votes attaching to the Common Shares.
2. (a) Holders of Class "A" Shares are entitled to fixed cumulative cash dividends at the rate of \$1.00 per share per annum and in priority to any dividend on the Common Shares.
- (b) No voting rights unless and until default has been made in the payment of two years' dividends. Voting power in event Class "A" Shareholders have a vote is 1 Class "A" vote equivalent to 5 votes attaching to the Common Shares.
- (c) In the event of the liquidation, dissolution, or winding up of the Company, the holders of the Class "A" Shares shall, subject to the prior rights of the holders of the Preferred Shares, be entitled to be paid an amount equal to all unpaid cumulative dividends on the Class "A" Shares, and thereafter the remaining assets available for distribution to Shareholders shall be divided between the holders of the Class "A" Shares and the Common Shares on the basis that the distribution to the holder of each Class "A" Share shall be equivalent to that of the holder of five Common Shares.

7. DIVIDEND RECORD

During the past ten years the Company has paid dividends at the following rates:

<i>Year ending April 30th</i>	<i>Preferred</i>	<i>Class "A"</i>	<i>Common</i>
1945	\$7.00		\$.90
1946	7.00		1.00
1947	*5.60	\$.25	1.00
1948	1.40	1.00	1.00
1949	1.40	1.00	1.00
1950	1.40	1.00	2.00
1951	1.40	1.00	2.00
1952	1.40	1.00	2.00
1953	1.40	1.00	2.00
1954	1.40	1.00	3.00

**On December 20th, 1946, the 15,000 outstanding preferred shares of \$100 par value each were subdivided into 75,000 preferred shares of \$1.40 series of \$20 par value each.*

8. RECORD OF PROPERTIES

The Company is owner of properties in various towns and cities in Canada:

Province of Ontario.....	48 branches
Manitoba.....	40 "
Saskatchewan.....	81 "
British Columbia.....	1 branch
Total.....	170 branches

9. SUBSIDIARY COMPANIES

See "Subsidiary Companies" on page 6.

10. FUNDED DEBT

Funded debt of the Company, its subsidiary and controlled companies: Nil.

11. OPTIONS, ETC.

There are no outstanding options, underwritings, sale agreements in connection with any of the shares of the Company.

12. LISTING ON OTHER STOCK EXCHANGES
Shares of this Company are listed for trading on the Winnipeg Stock Exchange.
13. STATUS UNDER SECURITY ACT
No shares or securities of the Company are being offered to the public.
14. FISCAL YEAR
The fiscal year of the Company ends on April 30th.
15. ANNUAL MEETING
Annual Meeting is held on third Tuesday in June each year. Last meeting was held June 15th, 1954.
16. HEAD OFFICE
The Head Office of the Company is situated at 120 Fort Street, Winnipeg.
17. TRANSFER AGENT
The transfer agent of the Company is the Montreal Trust Company, Toronto and Winnipeg.
18. TRANSFER FEE
No fee is charged on stock transfers other than the customary Government stock transfer taxes.
19. REGISTRAR
The registrar of the Company is the Montreal Trust Company, Toronto and Winnipeg.
20. AUDITORS
Auditors of the Company are William Young & Co., Chartered Accountants, Bank of Canada Building, Winnipeg.
21. OFFICERS
The chief executive officers of the Company are as follows:
- | POSITION HELD | NAME | ADDRESS |
|-------------------------------|---------------------|---|
| President..... | R. J. Gourley..... | 230 Oxford Street, Winnipeg, Manitoba. |
| Executive Vice-President..... | H. B. Gourley..... | 119 Hertford Boulevard, Tuxedo, Manitoba. |
| General Manager..... | K. C. Kennedy..... | 275 Elm Street, Winnipeg, Manitoba. |
| Secretary-Treasurer..... | W. T. Cummings..... | 375 Borebank Street, Winnipeg, Manitoba. |
22. DIRECTORS
The Directors of the Company are as follows:
- | NAME | OCCUPATION | ADDRESS |
|-----------------------|--|---|
| E. A. Banbury..... | Retired..... | 3636 Dewdney Ave., Regina, Sask. |
| R. S. Banbury..... | Retired..... | Balfour Apts., Regina, Sask. |
| C. M. Willoughby..... | Investment Broker..... | 2580 Retallack St., Regina, Sask. |
| E. W. Stacey..... | President, Beaver (Alta.) Lumber Ltd..... | 11606 Jasper Ave., Edmonton, Alta. |
| J. Elmer Woods..... | President, Monarch Life Assurance Co..... | 132 Girton Blvd., Tuxedo, Man. |
| R. J. Gourley..... | President..... | 230 Oxford St., Winnipeg, Man. |
| Perley Banbury..... | Retired Executive..... | 16 Rockcliffe Rd., St. Catharines, Ont. |
| H. B. Gourley..... | Executive Vice-President..... | 119 Hertford Blvd., Tuxedo, Man. |
| Joseph Harris..... | President, Great-West Life Assurance Co..... | 111 Park Blvd., Tuxedo, Man. |
| K. C. Kennedy..... | General Manager..... | 275 Elm St., Winnipeg, Man. |
| C. Gordon Smith..... | Managing Director, Smith Vincent & Co..... | 100 Waterloo St., Winnipeg, Man. |

CERTIFICATE

Pursuant to a resolution duly passed by its Board of Directors, the applicant company hereby applies for listing of the above mentioned securities on The Toronto Stock Exchange, and the undersigned officers thereof hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.

BEAVER LUMBER COMPANY, LIMITED.

"H. B. GOURLEY", *Vice-President.*

"W. T. CUMMINGS", *Secretary-Treasurer.*

STATEMENT SHOWING NUMBER OF SHAREHOLDERS

Number		Shares
68	Holders of 1 - 100 share lots.....	3,810
43	" " 101 - 200 " "	6,235
35	" " 201 - 300 " "	8,830
16	" " 301 - 400 " "	5,795
37	" " 401 - 500 " "	18,415
51	" " 501 - 1000 " "	36,260
88	" " 1001 - up " "	704,345
338	Shareholders	Total shares.... 783,690

FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET AS AT 31st OCTOBER, 1954

ASSETS

CURRENT:

Cash on Hand and at Bank.....	\$ 1,387,509.14	
Marketable Securities.....	143,724.50	
Government of Canada Bonds.....	970,100.00	
		<u>\$ 2,501,333.64</u>
Accounts Receivable.....	\$ 6,136,540.00	
Finance Contracts.....	\$438,709.05	
<i>Less</i> Unearned Charges.....	45,165.84	
		<u>393,543.21</u>
Lands, Agreements and Mortgages.....	127,608.44	
	\$ 6,657,691.65	
<i>Less</i> Reserve for Bad Debts.....	932,213.56	
		<u>5,725,478.09</u>
Merchandise:		
Yard Inventories (estimated).....	\$ 8,055,777.90	
Items in Transit.....	1,051,807.23	
Advances on Future Shipments.....	31,745.42	
		<u>9,139,330.55</u>
Insurance Deposits.....		82,582.74
		<u>\$17,448,725.02</u>

FIXED:

Land.....	\$ 511,491.37	
Buildings.....	5,890,584.62	
Equipment.....	1,532,558.70	
Trucks and Autos.....	808,854.89	
	\$ 8,743,489.58	
<i>Less</i> Reserves for Depreciation.....	4,502,258.66	
		<u>4,241,230.92</u>
		<u>\$21,689,955.94</u>

LIABILITIES

CURRENT:

Dominion Bank—Loan and Overdraft.....	\$ 294,928.14	
Accounts Payable.....	1,125,568.46	
Reserve for Income Taxes.....	1,213,872.87	
		<u>\$ 2,634,369.47</u>
SPECIAL RESERVES.....		2,105,000.00

CAPITAL:

Minority.....	\$ 36,200.00	
Beaver Lumber Company Limited.....	2,897,750.00	
	<u>\$ 2,933,950.00</u>	

SURPLUS:

Balance, 30th April, 1954.....	\$13,354,068.05	
<i>Less</i> Adjustment Subsidiary Purchased.....	17,625.73	
	<u>\$13,336,442.32</u>	
Net Profit for Period.....	1,087,324.65	
	<u>\$14,423,766.97</u>	
<i>Deduct</i> —Dividends Paid.....	407,130.50	
	<u>14,016,636.47</u>	
		<u>16,950,586.47</u>
		<u>\$21,689,955.94</u>

AUDITORS' REPORT

We have prepared from the books and accounts of Beaver Lumber Company Limited and its Subsidiary Companies, without verification, the attached Consolidated Balance Sheet as at 31st October, 1954. Inventories of merchandise on hand are shown at an estimated amount having regard for the rate of gross profit produced for the previous complete fiscal year which ended as at 30th April, 1954,¹ in the case of Beaver Lumber Company Limited and some of the Subsidiary Companies and as at 31st December, 1953, in the case of the balance of the Subsidiary Companies.

Subject to the foregoing, in our opinion, the attached Consolidated Balance Sheet is properly drawn up so as to show fairly the state of the Companies' affairs as at 31st October, 1954, according to the books and other information furnished to us.

WILLIAM YOUNG AND COMPANY,

Winnipeg, 4th February, 1955.

Chartered Accountants

STATEMENT OF EARNINGS FOR YEARS 1949-1950 TO 1953-1954 (INCLUSIVE)

	Earnings Before Depreciation and Income Taxes	Provision For Depreciation	Earnings After Depreciation	Income Taxes	Net Earnings
1949-50	\$3,851,583.27	\$325,343.97	\$3,526,239.30	\$1,419,193.07	\$2,107,046.23
1950-51	4,031,286.20	377,367.46	3,653,918.74	1,488,576.49	2,165,342.25
1951-52	3,702,182.75	418,773.32	3,283,409.43	1,695,861.07	1,587,548.36
1952-53	4,035,619.85	470,429.57	3,565,190.28	1,867,742.79	1,697,447.49
1953-54	4,552,527.33	577,526.79	3,975,000.54	1,895,775.86	2,079,224.68

Auditors' Certificate

We have examined the Statement of Consolidated Earnings of Beaver Lumber Company Limited and its Subsidiary Companies for the fiscal years ended 30th April, 1950, to 1954, inclusive, in the case of Beaver Lumber Company Limited and some of the Subsidiary Companies, and 31st December, 1949, to 1953, inclusive, in the case of the balance of the Subsidiary Companies.

In our opinion the above statement is properly drawn up so as to exhibit a true and correct view of the results of the operations for the years then ended, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

WILLIAM YOUNG AND COMPANY,

Winnipeg, 4th February, 1955.

Chartered Accountants.

SUBSIDIARY COMPANIES

Name	No. of Branches	Date of Incorporation	Nature of Business	AUTHORIZED CAPITAL				CAPITAL ISSUED				AMOUNT OWNED BY BEAVER LUMBER Co. Ltd.	
				PREFERRED		COMMON		PREFERRED		COMMON		Pref.	Com.
				Shares	Value	Shares	Total	Shares	Value	Shares	Total		
Anderson Lumber Co. Ltd.	1	April 17, 1926	Retail Lumber	.....	.....	300	\$ 30,000 —	.....	.....	100	\$ 100	\$ 10,000	\$6,600
Beaver (Alberta) Lumber Ltd.	63	December 30, 1919	" "	1,500	\$100	3,500	100	1,500	\$100	3,500	100	\$150,000	350,000
Beaver Lumber Acceptance Corporation Ltd.	1	March 3, 1954	Finance	2,000	100	20,000	10	200,000	—	1,250	100	125,000	5
Beaver Lumber (Northern) Ltd.	2	December 16, 1919	Retail Lumber	.....	.....	2,000	100	200,000	—	.....	.....	150,000	150,000
Bell Lumber Co. Ltd.	1	June 23, 1927	" "	300	100	30,000	—	200	100	300	100	6,000	4,000
J. E. Brown Lumber Ltd.	1	February 11, 1929	" "	100	100	10,000	—	400	100	100	100	2,000	1,500
Dominion Lumber & Supplies Ltd.	1	October 28, 1953	" "	15,000	10	150,000	—	10,000	100	15,000	100	150,000	10,000
Empire Sash & Door Co. Ltd.	1	February 4, 1905	" "	.....	.....	1,000	100	100,000	—	.....	.....	100,000	100,000
Frontier Lumber Co. Ltd.	13	February 6, 1918	" "	.....	.....	1,000	100	100,000	—	.....	.....	100,000	100,000
Kingsway Lumber Co. Ltd.	1	June 29, 1944	" "	.....	.....	200	100	20,000	—	.....	.....	300	300
A. F. Macdonald Lumber Ltd.	1	March 20, 1928	" "	200	100	20,000	—	300	100	200	100	2,000	2,000
Matheson Lumber Ltd.	1	July 18, 1947	" "	.....	.....	300	100	30,000	—	.....	.....	30,000	15,300
Melita Lumber & Manufacturing Co. Ltd.	2	April 12, 1905	" "	.....	.....	500	100	50,000	—	.....	.....	30,100	23,400
Small Lumber Yards Ltd.	—		Not operating	.....	.....	100	100	10,000	—	.....	.....	10,000	10,000
Taylor Lumber Co. Ltd.	1	March 19, 1923	Retail Lumber	.....	.....	200	100	20,000	—	.....	.....	18,000	9,100
Tripp Lumber Co. Ltd.	1	January 22, 1927	" "	60	100	6,000	—	440	100	60	100	20,000	20,000
Western Manufacturing Co. Ltd.	1	April 3, 1911	Sash and Door	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
			Millwork Factory	.....	.....	2,500	100	250,000	—	.....	.....	191,000	191,000
Ingleby-Taylor Co. Ltd.	1	October 22, 1912	Retail Lumber	1,000	100	100,000	—	400	100	.....	.....	26,400	26,400
Total Number of Branches	93												

